



**CITY OF VISALIA COMMENTS  
On the Development of the  
Cap-and-Trade Auction Proceeds Investment Plan**

The City of Visalia recommends that proceeds from the Cap-and-Trade program be allocated for the following purposes:

- 1) Invest additional funds in the California Energy Commission's low-interest revolving loan fund. The State would realize administrative efficiencies since the program already exists, and this investment would allow for ongoing energy efficiency and clean energy projects since it is a revolving loan fund. This investment falls under the "Energy Efficiency and Clean Energy" investment category, and would achieve the statute's goal of reduced Greenhouse Gas (GHG) emissions and complementing efforts to improve air quality.
- 2) Allocate additional funding to the California Solar Initiative (CSI) and increase the maximum solar wattage eligible under the CSI and Net Energy Metering (NEM) for government applicants to 2MW. This would allow for larger scale utilization of renewable technology and provide the opportunity to maximize economies of scale. This investment would qualify in the "Energy Efficiency and Clean Energy" category, and would achieve the statute's goal of reduced GHG emissions.
- 3) Establish a deferred loan program for infill housing development at a density greater than 15 units/acre in the Central Valley to incentivize implementation of the San Joaquin Valley Blueprint. This regional incentive is necessary to transform development in the Valley and preserve agricultural lands. This investment would be eligible under "Strategic Planning for Sustainable Infrastructure" category which specifically includes housing infrastructure, and would result in reduced GHG emissions.
- 4) Allocate funding for the installation of renewable energy at state and local public facilities. Given the current economic challenges faced by many communities, funding renewable energy would provide the opportunity to improve the economic challenges associated with the operation of public facilities while providing a clean energy alternative. This allocation falls under the "Energy Efficiency and Clean Energy" investment category, and would achieve the statute's goal of reduced GHG emissions.
- 5) Establish a grant program to fund municipal smart growth projects and infill development. Examples include parking structures to promote infill development and brownfields revitalization. This allocation falls under the "Strategic Planning for Sustainable Infrastructure" investment category, and would achieve the statute's goal of reduced GHG emissions and complementing efforts to improve air quality.

*This testimony was delivered at the February 19, 2013 Public Workshop in Fresno by Betsy McGovern-Garcia.*

